

Tri-Valley Herald

Competitive bidding scrutinized

Some fear lab security, money issues may outweigh scientific concerns in contractor search

By Ian Hoffman
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Friday, July 11, 2003 - Since the late 1980s, Congress and federal auditors repeatedly have thum-ped the U.S. Department of Energy for keeping the same contractors running its giant laboratories despite management failings and spotty accountability.

But several lawmakers worry the Energy Department's recent embrace of competitive bidding for lab operations will damage its chief products - science, nuclear weapons and defense technologies.

"This could be a real change in our labs and so we want to make sure we know what the criteria are for that competition," Rep. Judy Biggert, R-Ill., chairwoman of a House science subcommittee, said Thursday.

"It seems like we're having two conversations here – the missions of the labs and the management," said Rep. Mike Honda, D-San Jose. "We're mixing them up, and I hesitate to throw the baby out with the bathwater."

"What's going to suffer," he said, "is the scientific mission and the employ -ees."

Lawmakers made it clear they want-ed the Energy Department to take at least as much account of the national labs' delivery of scientific products as the agency does of financial, security and safety issues that are easier to measure.

More often, lawmakers have lambasted the Energy Department, for recurrent safety, security and financial problems at its 16 major labs, in most cases operated by the same contractors for decades.

By outsourcing 90 percent of its work, worth \$9.4 billion a year, the Energy Department is the nation's largest civilian contracting agency and, according to the General Accounting Office, one of the most vulnerable to cost-overruns, waste and fraud.

But Thursday, House Science committee members and agency officials agreed the national laboratories are hamstrung by over-regulation and whipsawed by multiple, sometimes competing demands from Congress.

The Energy Department also is accustomed to what Undersecretary Robert Card gently characterized Thursday as "different perspectives from Congress regarding the use of competition."

The latest handwringing arises from the Energy Department's April 30 decision to bid out two lab contracts, the single largest step toward competition. At Idaho National Laboratory, the agency is revamping the work slightly.

At Los Alamos National Laboratory, the agency is asking the University of California to compete for the first time in 60 years to stay in charge. It also is the first time the U.S. government has been open to letting another contractor design and maintain the nuclear explosives in the nation's strategic arsenal.

Lawmakers and former lab managers suggested the decisions were a surprise and seemed to ignore decades of solid performance in science and national security.

That performance, urged John McTague, former vice president of lab management for the University of California, should be the dominant factor in whether to put a lab contract up for bid.

"Are the prime missions being assigned to those laboratories being carried out? Are our nuclear weapons safe and reliable? That's the most important aspect," McTague said.

"The second thing is, how are those missions being carried out? Is there waste, fraud and abuse? But those should be secondary."

In putting contracts up for competition, he warned, "the risk you take of damaging the technical staff is of unknown proportion."

Yet if Los Alamos were handed to a new contractor, federal officials have made it clear that only top lab executives would change, leaving most staff, pay and benefits the same. No lab executive called Thurs-day before Biggert's committee could offer evidence that changing the contractor at other DOE labs had hurt science or triggered a brain drain.

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